

**Georgia Department of Human Services**

# **Purchasing Card Refresher Training**

Cardholders and Approvers

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DHS Purchasing Card Administrator

# Purpose

The purpose of this training is to review the following:

- Policy
- Roles & Responsibilities
- Allowable Transactions
- Prohibited Transactions
- Prior Approval
- Sales Tax
- Surcharges and Convenience Fees
- Documentation and Comments
- Reconciliation Submission
- Dispute Process
- Surrendering Cards



# Policy Resource Information

- The Department of Administrative Services (DOAS) State Purchasing Card (P-Card) Policy was revised April 2017.
- Department of Human Services (DHS) P-Card Policy (POL\_\_\_\_) was revised to follow the State policy, and is applicable to all DHS Divisions and Offices, including the county Departments of Family and Children Services (DFCS County), and the Georgia Vocational Rehabilitation Agency (GVRA) cards.
- The Georgia Procurement Manual (GPM) [http://pur.doas.ga.gov/gpm/MyWebHelp/GPM\\_Main\\_File.htm](http://pur.doas.ga.gov/gpm/MyWebHelp/GPM_Main_File.htm)
- DHS P-Card Program Forms may be obtained on the Office of Procurement and Contracts Intranet page at <http://intranet.dhs.ga.gov>, or from the DHS P-Card Administrator
- DFCS County users may obtain forms from the DHS Intranet page above and the Field Fiscal Services (FFS) web page.

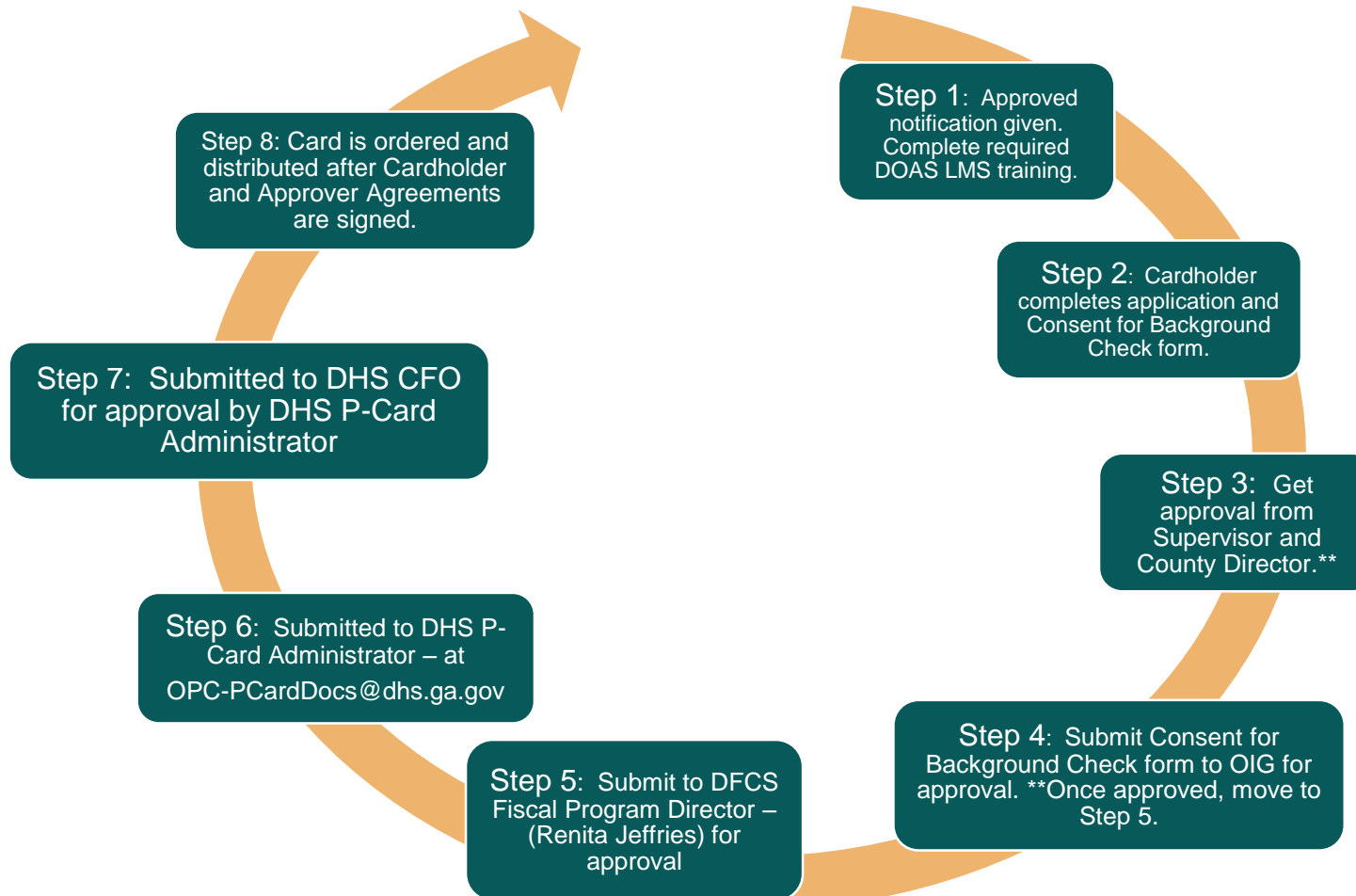


# New Cards and Renewals

- Mandatory credit (“soft” check) and background check for new cards
- New cards must be approved by all of the following:
  - DFCS County
    - Employee Supervisor
    - County Director
    - DFCS Fiscal Program Director
    - DHS P-Card Administrator
    - DHS CFO
  - DHS Enterprise:
    - Employee Supervisor
    - Employee Director
    - DHS P-Card Administrator
    - DHS CFO
  - GVRA
    - Employee Supervisor
    - Employee Director
    - GVRA P-Card Administrator
    - GVRA CFO
    - DHS CFO



# DFCS County P-Card Request Cycle



Please Note: If Card is for County Director; RCC should sign application





# Spending Limits

- In compliance with the DHS P-Card Plan submitted to DOAS and the Office of Planning and Budget (OPB), DHS Enterprise, DFCS County, and GVRA cards have a Single Transaction Limit (STL) of \$1,000 and a Monthly Cycle Limit (CL) of \$5,000.
- Any deviations from the limits established for each card in the DHS P-Card Plan, must be submitted and approved by both DOAS & OPB



## Credit Increases

- A temporary increase to a cardholder's STL can be made with appropriate approvals, and in compliance with the DHS P-Card Plan, based on urgent need. Limits must be returned to the cardholder's original profile within five (5) days.



# Point-of-Sale Transactions



- Point-of-Sale (POS) transactions are made online, in-person, or by phone.
- Restricted to **1) unplanned, 2) non-routine, or 3) urgent purchases.\***
- Maximum STL and CL for POS transactions is \$1,000.
- POS transactions must have written prior approval with a justification which clearly demonstrates the category of the POS transaction.
- Contact the DHS P-Card Administrator for confirmation that a POS transaction is appropriate.

*TIP: Failure to plan does not fall under any of the POS categories.*

\*Expenses that are not expected in advance or are irregular in the standard course of the Agency's normal business operation. Specific to the immediate needs which arise to assist with the welfare of children and families in need.



# Cardholders and Approvers

## Partnership for Accountability

Working collaboratively, the Cardholder and Approver ensure compliance with P-Card Policy. Both are accountable for all transactions made.

- P-Cards may be used only for official State of Georgia business expenses. Refer to the Prohibited Purchase list regularly to ensure compliance.
- Cards are not issued in the name of a County DFCS office. They are issued in the name of an individual employee who has been approved as a cardholder, and for whom a credit and background check have been completed.
- Only the employee whose name is shown on the face of the card is authorized to make purchases with the card. **Use by any other person, even if for State business purposes, is considered misuse of the card.**
- **Misuse and/or Abuse of the use of the P-Card may result in disciplinary actions up to and including termination of employment and criminal charges for both the Cardholder and Approver.**

**Immediately report any suspected fraud to the DHS P-Card Administrator;**  
**DFCS should immediately contact Fiscal Program Director**





# Responsibilities of the Cardholder

- Understand and maintain current knowledge of DHS and State P-Card Policy.
- Complete DOAS Introduction to Purchasing Card Principles (6600W), Test (6600T), and Cardholder Card Program Acknowledgement Form.
- Use the card only for official State business and ensure compliance with the Prohibited Purchases List.
- Keeps the card secured, separated from personal cards, and does not allow anyone, at any level, to use the card or access to the number, no matter the purpose.
- Obtain **PRIOR** written approval for all transactions. Prior Written Approval must be obtained by the cardholder's Supervisory Approver.
  - **PRIOR = IN ADVANCE** (via email for date/time stamp)
- If circumstances prevent prior written approval, obtain written approval with explanation, within one (1) business day of the transaction.
- Ensure timely submission of all reconciliation documentation.
- Documentation must include Client ID # and purpose of the purchase.



# Responsibilities of the Approver

- Maintain current knowledge of DHS and State P-Card Policy.
- Ensure all transactions are for official State business only (for the welfare of children and families served by DFCS).
- Complete DOAS Introduction to Purchasing Card Principles (6600W), Test (6600T), and Approver Card Program Acknowledgement Form.
- Do not approve any transactions which are on the Prohibited Purchase list (refer to the list prior to approving) or are clearly not for official State business.
- Provide **PRIOR** written approval for all transactions. Prior Written Approval can only be provided by the cardholder's Supervisory and Budgetary Approver.
  - **PRIOR = IN ADVANCE** (via email for date/time stamp)
- If circumstances prevent prior written approval, give written approval with explanation, within one (1) business day of the transaction.



# Responsibilities of the Approver



- Ensure timely submission of all documentation required for P-Card Reconciliation.
- Be aware of Cardholder's STL and CL and ensure compliance with both.
- Do not approve paperwork indicating compliance with P-Card policy if the policy was not followed. Escalate the issue to the DHS P-Card Administrator for review and action immediately.

# Responsibilities of the Chief Financial Officer

- Oversee the Purchasing Card Program.
- Successfully complete the CFO Card Program Modules.
- Submit the completed CFO Card Program Acknowledgement Form.
- Appoint an entity Program Card Administrator.
- Approve qualified cardholders and approvers.
- Review and approve the Annual Self Audit of the card program.
- Review and approve policies in conjunction with the DHS P-Card Administrator.





# Sales and Use Tax

- O.C.G.A. §48-8-3 exempts purchases made by State Agencies from State Sales and Use Tax when payment is made with appropriated funds.
- Cardholders must present the Department of Revenue Sales and Use Tax Exemption, Form ST-5, to suppliers upon request. This form is available from DHS Accounts Payable (A/P), GVRA A/P, or applicable County DFCS office.
- Cardholders should maintain completed copies of this form, for quick access, while out in the field.
- The requirement for out-of-state suppliers to charge Sales and Use Tax on shipments to purchasers in the State of Georgia does not apply to tax-exempt State Entities. In order to avoid confusion, the cardholder must provide out-of-state suppliers with a copy of the ST-5 prior to placing an order to be shipped into the State of Georgia. If the supplier refuses to remove taxes, the cardholder must make the purchase from a different supplier. If the supplier refuses to remove taxes, the cardholder must make the purchase from a different supplier.







# What to do if charged sales tax

Cardholders are responsible for ensuring that merchants do not charge tax or provide a credit for inadvertent charges.

**Tip: Check the receipt prior to leaving the cash register.**

- If taxes are charged, the cardholder must contact the merchant to obtain a credit to the account.
- Credits cannot be obtained by any other method, including, but not limited to, cash, gift cards, or store credit.
- Documentation of attempts to obtain credit for any State Sales and Use Tax charged in error must be uploaded in TeamWorks or Works (as appropriate) with the documentation for the transaction on which tax was charged.



# Surcharges and Convenience Fees

- Credit card surcharges are allowable but cannot be more than the amount the supplier's bank charges them for processing the transaction.
- Supplier cannot charge a surcharge AND a convenience fee.
- Maximum allowable surcharge is 4% and **MUST** be shown as a line item on a detailed invoice or receipt.



# Allowable Purchases



- DFCS County Cardholders are limited to use of the P-Card for unplanned, non-routine, and urgent purchases for DFCS Program Participants.
- Transportation, food, and lodging expenses for DHS Program Participants are an allowable purchase when needed in the fulfillment of services to DHS Program Participants.
- Documentation must include itemized receipts, client case number, purpose, etc.





# Prohibited Purchases

- Goods/services not directly related to job responsibilities or other State of Georgia business
- Data plans, software, or apps for non-State Entity devices
- Memberships at wholesale warehouses and shopping clubs (e.g. Costco, Amazon Prime)
- Gift cards, cash advances
- Employee travel expenses related to lodging and meals (see allowable purchases)
- Entertainment
- Alcoholic beverages and tobacco products
- Fuel (for ANY automobile), mechanical repairs, and maintenance of State-owned or rental vehicles
- Airline tickets, except for DFCS program participant travel.



# Reconciliation Documentation

**TIP: Failure to submit timely documentation, or submission of incomplete documentation may result in card suspension or deactivation.**

- The monthly cycle begins on the 28<sup>th</sup> of each month and ends on the 27<sup>th</sup> of the following month. Reconciliation must be completed no later than the 17<sup>th</sup> of the month following the end of the cycle.
- Internal agency-specific deadlines have been set by DFCS which require reconciliation **no later than the 15th.**

AUGUST							SEPTEMBER							OCTOBER						
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
	1	2	3	4	5	6					1	2	3	2	3	4	5	6	7	8
7	8	9	10	11	12	13	4	5	6	7	8	9	10	9	10	11	12	13	14	15
14	15	16	17	18	19	20	11	12	13	14	15	16	17	16	17	18	19	20	21	22
21	22	23	24	25	26	27	18	19	20	21	22	23	24	23	24	25	26	27	28	29
28	29	30	31				25	26	27	28	29	30		30	31					





# Reconciliation Documentation



- **Reconcile the Bank Statement against the Activity Log**
- Copy of **Bank of America Statement** signed by Supervisory Approver and Cardholder
- Copy of **Activity Log** (maintained as transactions are made – not after the statement arrives) signed by Approver - Signature Stamps are not permitted. (Attach to the first transaction on Statement.)
- Copy of **Written Prior Approval Email**
- Detailed sales receipts or invoices, add comments as needed to clarify the purchase.
- .PDF documents are the only format that should be uploaded – **All Must be Legible**
- Signatures on Application/Profile form must match those on reconciliation documentation (no signature stamps or initials).



# Sales Receipts

Sales receipts **MUST** contain at a minimum:

- Merchant Name and Location
- Description of Item Purchased
- Date of Transaction
- Quantity Purchased
- Amount of Each Item
- Total Amount
- **Sales Tax should be \$0.00**



## Lost Receipts

- If a cardholder loses a receipt and a duplicate cannot be obtained, the cardholder must complete the Lost Receipt Affidavit, Form SPD-PC005, which must be signed by the Approver.
- Send the form to the DHS P-Card Administrator and upload a copy with Reconciliation documentation.
- Use of this form more than three (3) times during a fiscal year will result in suspension of card privileges for a period of time determined by the P-Card Program Administrator.



# Merchant Category Codes (MCC)

- Merchant Category Codes (MCC) are assigned by a supplier's merchant bank based on the type of goods and/or services provided.
- The State has allowed and blocked certain codes, which protects it against unauthorized or prohibited purchases.
- The Bank creates MCC groups upon request by the State Card Program Director.



# Lost/Stolen Cards



**Immediately notify Bank of America at 1-888-449-2273.**

**Then notify the DHS P-Card Administrator by email,  
(for DFCS County cards notify the Fiscal Program Director).**

## Dispute Process

- To dispute transactions (duplicate charge, items not received but charged, etc.), contact the merchant to make a good faith effort to resolve the issue and obtain a credit
- If unsuccessful, follow the instructions on the Bank of America Dispute Form located at <http://doas.ga.gov/state-purchasing/statewide-card-programs/purchasing-cards>
- Disputed transactions must be reconciled with supporting documentation regarding communications between Cardholder and Merchant to request a credit and otherwise resolve the issue. Include comments and copies of e-mails communications to fully document actions taken.

**TIP: Sales tax cannot be disputed via the Bank of America Dispute Form.**



# Updates to Cardholder Profile/Applications

## Review for Updates

- Credit Limits - As spending needs change, request updates to the single and monthly credit limits to ensure limits match business needs. Supporting documentation is required.

**TIP: STLs and CLs not covered in the DHS P-Card PI must be approved by OPB and DOAS.**

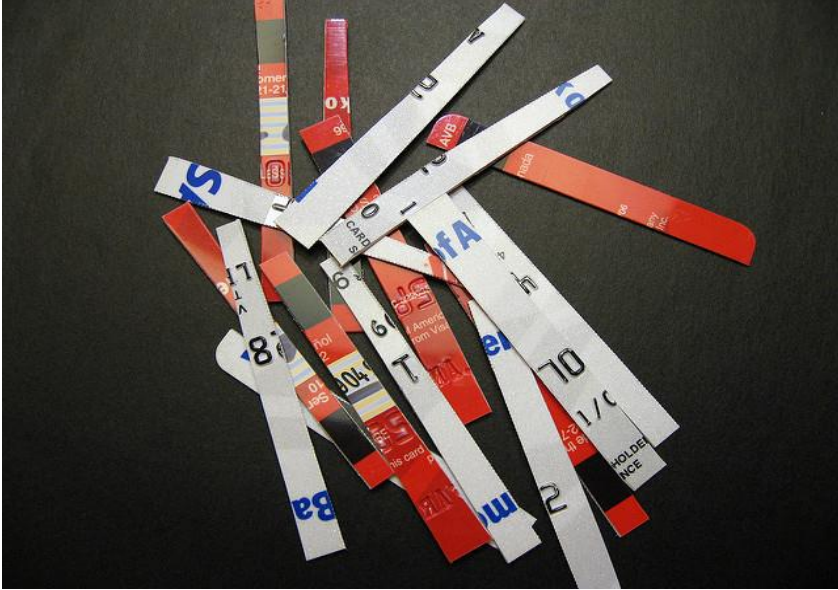


- Name Changes – Cardholder or Approver name changes due to marriages/divorces require updates to the profile.
- Approver Updates – Supervisory or Fiscal/Budget staff changes require updates to Approvers assigned to Cardholders.





# Surrendering a Card

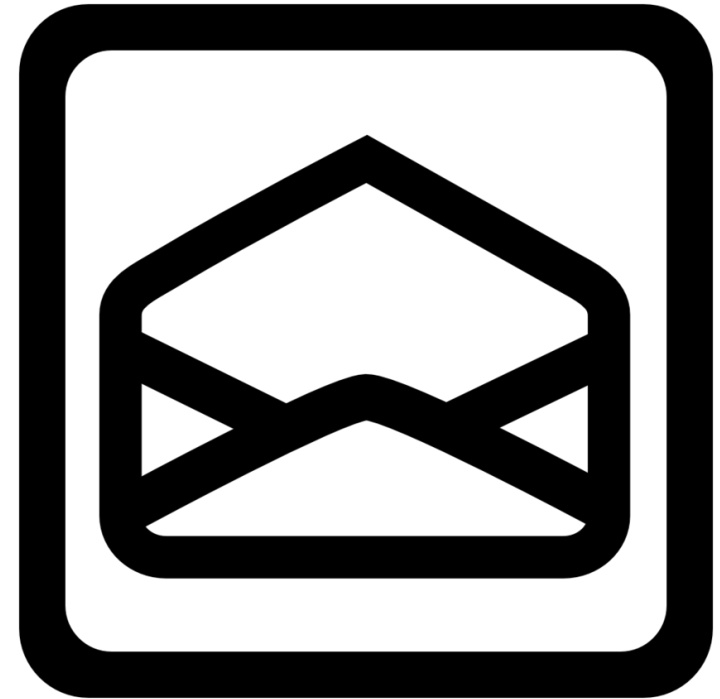


- If a Cardholder leaves the Agency, transfers to another Division or Office, or moves to a position where a card is no longer required, the following steps must be followed:
  - Notify the DHS P-Card Administrator immediately by email (for DFCS also notify the Fiscal Program Director immediately).
  - Shred/cut-up the card in front of Supervisor, ensuring the magnetic stripe is invalidated and the card numbers cannot be read.
  - Send an email to the DHS P-Card Administrator advising the date the card was destroyed, by whom, and who witnessed it.
- This information will be maintained in the Cardholder's electronic P-Card file for audit purposes.



# Contact Resources

- DHS P-Card Administrator/DHS Agency Procurement Officer (APO)  
Annette Bazhaw  
[annette.bazhaw@dhs.ga.gov](mailto:annette.bazhaw@dhs.ga.gov)
- DFCS Fiscal Program Director  
Renita Jeffries  
[renita.jeffries@dhs.ga.gov](mailto:renita.jeffries@dhs.ga.gov)
- DFCS Assistant Fiscal Program Director  
Davida Walker  
[Davida.Walker@dhs.ga.gov](mailto:Davida.Walker@dhs.ga.gov)
- DHS P-Card Financial Examiner  
Kalimah Abdul-Samad  
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# QUESTIONS AND DISCUSSION

